(b) what steps are being taken by Government to increase ancillarisation in the country; and

(c) whether the Mazda Motor Corporation of Japan is likely to enter the passenger car market in India?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) The new light commercial vehicle manufacturers having Japanese collaboration are facing constraints in increasing their production and sales because of the high cost of production arising primarily on account of the steep appreciation in the value of the Yen. With a view to give them some relief, Government have extended cartain fiscal concessions to fuel efficient light commercial vehicle.

(b) Government have encouraged the component manufacturers to increase production and upgrade technology through new foreign collaborations. Manufacture of automotive components has been delicensed and fiscal concessions have been given to ancillary units which supply auto components for fuel efficient vehicles.

(c) No such proposal has been received by the Government.

Visit of West German Firm's representatives

975. SHRI BIR BHADRA PRATAP SINGH: Will the Minister of ENERGY be pleased to state:

(a) whether the representatives of M/s. MAN-GHH of West Germany recently visited the Neyveli Lignite Corporation Limited and held discussions with the Government in order to secure further orders of their given project in the NLC; and

(b) if so, what are the details in this regard and broad outlines of discussions held with the representatives during April, 1987?

THE MINISTER OF ENERGY AND THE MINISTER OF STEEL AND MINES (SHRI VASANT SATHE): (a) and (b) Representatives of MAN-GHH, West Germany, visited Neyveli Lignite Corporation in April, 1987 and held discussions with the Corporation regarding the orders already issued to them for specialised mining equipment. No discussions were held on further orders.

Cost and Sale Price of DMT

976. SHRI CHIMANBHAI MEHTA: Will the Minister of INDUSTRY be pleased to state:

(a) whether any action or inquiry is being undertaken on the huge foreign exchange loss in allowing import of a private second hand DMT plant; if so, what are the details about the terms, personnel and the present stage of the inquiry;

(b) whether it is confirmed that P.T.A. is costlier than D.M.T. and if so, in what respect;

(c) why one more D.M.T. plant was allowed to be set up in our country in private sector;

(d) whether it is a fact that excise duty is levied on P.T.A. though there is no production in our country if so, what are the reasons therefor; and

(e) what is the present cost and sale price of D.M.T. in India and in international market?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) No such inquiry has been ordered.

(b) At present PTA is not being manufactured in the country. The international price of PTA is generally higher than that of DMT.

(c) The setting up of the plant was approved to meet the projected raw-material

requirement of polyester industry. The manufacture of DMT is not exclusively reserved for the public sector.

(d) Yes, Sir; the manufacture of PTA in the country is expected to commence in the future.

(e) At present, the selling price ex-factory of indegenous DMT is around Rs. 21,000 tonne. The international prices of DMT fluctuate widely; at present these range from US $ 440 to 540 per tonne (FOB).

Statmenet made by Shri Abid Hussain on cement industry

977. SHRIMATI KRISHNA KAUL: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to a statement made by Shri Abid Hussain, Member, Planning Commission on 20th March, 1987 in Delhi according to which self-sufficiency in cement industry is likely to give way to shortage by the end of the Seventh Plan period when demand is likely to out step capacity targetted; and

(b) if so, the action Government propose to take in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) Yes, Sir. The statement was based on the premise that the demand for cement may exceed the present targetted production at the end of the Seventh Plan due to increased building activities, including the thrust being laid on the House Building Sector. However, sufficient capacity is likely to be created to meet the estimated demand target of 49 million tonnes fixed for the terminal year of 7th Five Year Plan.

Import of power eqsipments

978. SHRI V. NARAYANASAMY: Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that Government propose to import the power equipments from foreign countries to the tune of Rs. 20,000 crores;

(b) whether Government have taken note of the prospects of manufacturing the power equipments through indigenous factories; and

(c) if so, what are the main features of the study conducted by the Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRIMATI SUSHILA ROHATGI): (a) Import of power equipment may have to be restored only to the extent that it becomes necessary to tap external financial assistance or where equipment is not available indigenously.

(b) Yes, Sir. All efforts are made to fully utilise indigenous manufacturing capacity.

(c) An assessment of the requirement of additional capacity to meet the demand for power during the Seventh and Eighth Plans, the extent of resources needed to fulfil this capacity and the projects which have the potential for being taken up for implementation has been carried out.

Supply of equipments to NLC by West German firm

979. SHRI BIR BHADRA PRATAP SINGH: Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that the bucket wheel excavator which was supplied by M/s. MAN of West Germany and WMI Cranes Limited jointly to NLC and which caused serious accident has again developed major cracks in various places after its thorough rehabilitation;

(b) if so, what are the details thereof;

(c) whether it is also a fact that the Neyveli Lignite Corporation Limited did not claim any compensation from the supplier on account of delayed delivery of equipment;